

PO. BOX 471 • 1077 GORGE BOULEVARD • AKRON, OH 44309-0471 • (330) 384-2360 • FAX: (330) 343

A.R. POAT VICE PRESIDENT - PRICING

April 6, 2000

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APR 12 2000

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The Honorable Linda Morgan Chairman U.S. Surface Transportation Board 1925 K Street, NW Washington, DC 20412

COMMENTS IN SUPPORT OF SECTION 5a. APPLICATION No. 61 (Sub-No 6) NATIONAL CLASSIFICATION COMMITTEE AGREEMENT

My name is A.R. Poat, Vice President, Pricing, for Roadway Express, Inc. Roadway is a motor carrier operating between points in the U.S. under Certificate No. MC-2202, transporting general commodities with the usual exceptions. Roadway employs over 28,000 people, operating over 380 terminals throughout the United States. Last year Roadway transported more than 15,000,000 general commodity shipments producing gross revenues of more than \$2.5 billion dollars and serving more than 300,000 customers. On average over 60,000 shipments are picked up each workday by Roadway, of which approximately 3% move in connecting line service with over 250 other carriers.

The Surface Transportation Board (STB) seems poised to amend current NCC by-laws to allow for shippers participation. The STB leaves the definition of shipper participation open to the parties.

Comments are being offered in this instant proceeding based on experience in the classification process as defined in the current by-laws of the NCC. I will respond to comments in the decision setting this proceeding and then offer some suggestions based on marketplace input.

If the amendments are to be based solely on the comments contained in the paragraphs and footnotes of the decision in the subject application then those amendments would be based on allegations and comments that don't fairly represent the classification process today.

Carriers continue to hear claims that the current bill of lading was a product developed in isolation solely by the NCC, when in fact, it was the product of both shippers and carriers. It was developed jointly over a five-month period. There was give and take on both sides by the people directly involved in the day-to-day activities of transportation. The shippers involved represented many of the shipper associations (NITL, NASSTRAC, HPCDC, etc.) who were liaisons to their associations. Absent this approach, there could have been a cast of thousands from both sides. Current allegations therefore, make one wonder how to accomplish the task at hand.

Carriers have met with shippers to guide their customers thru the classification process and directed them to appropriate NCC staff members for assistance. For allegations to be made that the shippers bear an unfair cost or a cost disproportionate to carriers is unrealistic. First of all, the carriers and NCC staff don't charge customers for advice, docket preparation and information. Carriers bear these costs in their entirety. I have never heard of a shipper being refused assistance.

EMERICA STREET,

If one were to consider the evolution of commodities as they move in commerce today, it would reveal changes in manufacture and packaging. Manufacturers have substituted plastic for steel, lighter metals for heavier metals and retail ready packages for plain boxes. Warehouse procedures have changed to reduce labor costs and as a result, carriers receive more unitized shipments that frustrate load factor objectives. These factors result in higher classifications when historical or new classifications are considered.

Talking to customers regarding their participation reveals some definition as what they mean by "shipper participation" –

Notice – they wanted a process for timely notice of docket matters that might affect them. This notice should go to their company direct or their designated Trade Association.

None of the shippers were aware of the docket bulletin posted on the internet by the NCC. This item would satisfy their requirements. Its existence and use should be publicized through their Trade Associations.

How does the classification process work – the timing factors for notice is not well understood by shippers. Docket scope and the implications it can have on amendments, etc. is not understood.

An educational program should be developed and made available on a cost basis to promote understanding in this area.

More use of current technologies. Could by-laws be amended to allow for electronic filing and notice in synopsis form of the docket results from panel and/or NCC meetings?

This would require cost analysis along with an evaluation of current NCC systems to determine if viable.

A single classification system is needed.

Absent a single standard the multiplicity of standards that would result will make administering the resulting structure one that defies understanding. None of the shippers wanted that result.

Docket information – customers attending meetings wanted to see only the composite of the information being considered by panels and committees. They would not want their trade or market information disclosed.

The NCC can accommodate this and has begun to do this currently.

These comments are respectfully submitted in hope that this process will receive an objective review with practical results.

Sincerely

A.R. Poat

cc: Parties of Record